

2015 Regular Session

HOUSE BILL NO. 636

BY REPRESENTATIVE MONTOUCET

FEES/LICENSES/PERMITS: Provides for a registration fee for applications for certain exemptions

1 AN ACT

2 To amend and reenact R.S. 47:13(D) and 301(28)(e); relative to sales tax exemptions; to
3 provide relative to certain tax exemption certificates; to provide relative to certain
4 farm equipment; to provide relative to fees, and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:13(D) and 301(28)(e) are hereby amended and reenacted to read
7 as follows:

8 §13. Renewal of tax exemption certificates

9 * * *

10 D. Renewals. Automatic renewals of the sales tax exemption certificates in
11 Subsections A, B, and C of this Section may be for a period of up to three years. The
12 Department of Revenue shall notify a qualifying taxpayer of its determination as to
13 whether the certificate will be automatically renewed pursuant to this Section or
14 whether the taxpayer is denied renewal and must reapply. A taxpayer who is denied
15 renewal of a sales tax exemption certificate may reapply for the certificate to the
16 Department of Revenue. The Department of Revenue shall promulgate rules and
17 regulations regarding its criteria for determining a taxpayer's ability to renew a sales
18 tax exemption certificate without the necessity of reapplying as it relates to the
19 exemption certificates in Subsections A, B, and C of this Section. The Department
20 of Revenue shall charge \$600 per application for renewals of sales tax exemptions

1 certificates issued pursuant to La. R.S.47:301(28). The secretary of the Department
 2 of Revenue shall retain sixty percent of the collections from this fee for the purpose
 3 of administering and processing these sales tax exemption certificates. Such fee
 4 collections shall be designated as self-generated revenue. The remaining forty
 5 percent of collections from this fee shall be paid into the state treasury. After
 6 compliance with the requirements of Article VII, Section 9(B) of the Constitution of
 7 Louisiana relative to the Bond Security and Redemption Fund, these fees shall be
 8 transferred to the commissioner of the Department of Agriculture and Forestry for
 9 agricultural economic development in this State. The commissioner of the
 10 Department of Forestry shall write rules to administer the requirements of this
 11 Section.

* * *

13 §301. Definitions

* * *

15 (28)

* * *

17 (e) The manufacturer's exemption certificate granted by the Department of
 18 Revenue shall serve as a substitute for the sales tax exemption for certain farm
 19 equipment. The secretary of the Department of Revenue shall charge a
 20 nonrefundable fee of \$600 per application for a sales tax exemption certificate for
 21 certain farm equipment. The secretary of the Department of Revenue shall retain
 22 sixty percent of the collections from this fee for the purpose of administering and
 23 processing sales tax exemption certificates for certain farm equipment and other
 24 machinery or equipment. Such fee collections shall be designated as self-generated
 25 revenue. The remaining forty percent of collections from this fee shall be paid into
 26 the state treasury. After compliance with the requirements of Article VII, Section
 27 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption
 28 Fund, these fees shall be transferred to the commissioner of the Department of
 29 Agriculture and Forestry for agricultural economic development in this State. The

1 commissioner of the Department of Forestry shall write rules to administer the
2 requirements of this Section.

3 * * *

4 Section 2. This Act shall become effective upon signature by the governor or, if not
5 signed by the governor, upon expiration of the time for bills to become law without signature
6 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
7 vetoed by the governor and subsequently approved by the legislature, this Act shall become
8 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 636 Original

2015 Regular Session

Montoucet

Abstract: Provides for registration fees for applications for exemptions on certain farming equipment.

Present law provides for automatic renewals of certain sales tax exemption certificates for a period of up to 3 years. Further provides that the Dept. of Revenue shall notify a qualifying taxpayer of its determination as to whether the certificate will be automatically renewed pursuant to present law or whether the taxpayer is denied renewal and must reapply. A taxpayer who is denied renewal of a sales tax exemption certificate may reapply for the certificate to the Dept. of Revenue. The Dept. of Revenue shall promulgate rules and regulations regarding its criteria for determining a taxpayer's ability to renew a sales tax exemption certificate without the necessity of reapplying as it relates to the exemption certificates in present law.

Proposed law provides that Dept. of Revenue shall charge \$600 per application for renewals of sales tax exemptions certificates issued pursuant present law.

Present law provides that for purposes of certain farm equipment for agricultural purposes the manufacturer's exemption certificate granted by the Dept. of Revenue shall serve as a substitute for the sales tax exemption for certain farm equipment.

Proposed law provides that the secretary of the Dept. of Revenue shall charge a nonrefundable fee of \$600 per application for a sales tax exemption certificate for certain farm equipment.

Proposed law provides that the secretary of the Dept. of Revenue shall retain 60% of the fees collected pursuant to proposed law for the purpose of administering and processing sales tax exemption certificates for certain farm equipment and other machinery or equipment. Such fee collections shall be designated as self-generated revenue.

Proposed law states that after satisfaction of certain requirements of proposed law all fees collected shall be paid into the state treasury. Further provides that after compliance with the requirements of present constitution relative to the BS&RF, an amount equal to 40% of the fees collected shall be transferred to the commissioner of the Dept. of Ag. and Forestry

for agricultural economic development in this State. The commissioner of the Dept. of Ag and Forestry shall write rules to administer the requirements of proposed law.

Provides for an effective date.

(Amends La. R.S. 47:13(D) and 301(28)(e))